

E-Filed: February 4, 2015

NOT FOR CITATION

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

TESSERA, INC.,

No. C10-04435 EJD (HRL)

Plaintiff,

**ORDER RE: DISCOVERY DISPUTE
JOINT REPORT #5-#6**

v.

UTAC (TAIWAN) CORPORATION,

[Dkt. Nos. 193, 194]

Defendant.

Plaintiff Tessera, Inc. (“Tessera”) sues Defendant UTAC (Taiwan) Corporation (“UTC”) for alleged failure to pay royalties under a license agreement. The first phase of this action concerned a contract interpretation dispute between Tessera and UTC about the criteria for determining which UTC products are royalty-bearing. Following discovery on that subject, the parties submitted summary judgment motions relating to contract interpretation, which were ruled on by the court.

The court entered an Amended Case Management Order that required Tessera to provide its infringement contentions in accordance with Patent L.R. 3-1, 3-2, and 3-3 with respect to its claim for royalties under the license agreement. Tessera served UTC with the required disclosure, identifying 32 claims of 12 licensed patents and providing claim charts contending that two types of UTC packages—its w-BGA packages and DFN packages—are covered by the claims of licensed patents and are therefore royalty-bearing. Tessera’s disclosure asserted that Tessera did not have enough information to determine whether a third type of package, UTC’s LGA SiP package, is

covered by the claims of the licensed patents and is therefore royalty-bearing. UTC disputes Tessera's contentions, and also served Tessera with invalidity contentions.

Presently before the Court is the parties' Discovery Dispute Joint Report ("DDJR") #5 and #6. Dkt. Nos. 193, 194. Each will be addressed in turn.

A. DISCOVERY DISPUTE JOINT REPORT #5

DDJR #5 concerns whether Tessera must produce certain documents relating to claims by Tessera in earlier suits against other parties in which Tessera has asserted that certain packages infringe Tessera's U.S. Khandros patents. The documents that UTC seeks include: documents containing Tessera's infringement contentions, including briefs and claim charts concerning claim construction and Tessera's infringement contentions; expert reports and other supporting materials, such as documents relating to testing, modeling and analysis of accused packages; and decisions and/or findings by courts and court-appointed experts concerning Tessera's infringement contentions and claim construction of the Khandros Patents. The specific parties and products for which UTC seeks these materials are the following: Samsung's w-BGA packages in *Samsung Electronics Co., Ltd. v. Tessera Technologies, Inc.*, C02-05837 (N.D. Cal.); Micron and Infineon's w-BGA packages in *Tessera, Inc. v. Micron Technology Inc.*, 05-CV-0094 (E.D. Tex.); Amkor's w-BGA packages and other BGA packages in *Amkor Technology, Inc. v. Tessera, Inc.*, 16 531/VRO; and Nanya's w-BGA packages *Semiconductor Chips with Minimized Chip Package Size and Products Containing Same (III)*, ITC No. 630 (337-TA-630). UTC also requests production of the findings of the court-appointed expert in *Tessera Inc. v. Advanced Micro Devices Inc.*, C05-04063 (N.D. Cal.).

"Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense Relevant information need not be admissible at the trial if the discovery appears reasonably calculated to lead to the discovery of admissible evidence." Fed. R. Civ. P. 26(b)(1).

UTC argues that the documents it seeks directly relate to Tessera's patent assertions in two ways. First, UTC contends that the five foreign patents Tessera is asserting against UTC's w-BGA packages are part of the same family of patents—the "Khandros Patents"—that Tessera has asserted

1 in all of its prior suits against w-BGA packages. According to UTC, Tessera's assertions in the
2 earlier suits concerning what the U.S. Khandros Patents cover and whether they are infringed by w-
3 BGA packages directly relate to the issues in this case of what the foreign Khandros Patents cover
4 and whether they are infringed by UTC's w-BGA packages.

5 None of the patents asserted in the prior cases are asserted here. In addition, UTC does not
6 cite to, and the court is not aware of any, case law holding that a party's statements about patents in
7 a prior litigation can impact the construction of different patents that are asserted in a subsequent,
8 unrelated case. Accordingly, UTC's argument regarding the relevancy of Tessera's assertions in the
9 earlier suits concerning what the U.S. Khandros Patents cover and whether they are infringed by w-
10 BGA packages is unconvincing.

11 Second, UTC argues that Tessera's assertions in earlier suits that the Khandros Patents
12 disclose and claim w-BGA packages are relevant to the validity of the U.S. patents it is asserting
13 here. UTC has identified the same Khandros Patents that Tessera asserted in the earlier suits as
14 prior art that invalidates the six U.S. patents that Tessera is asserting against the w-BGA packages
15 here. The U.S. patents refer to Khandros Patents as relevant prior art and purport to claim an
16 invention addressing the same types of semiconductor packages. Moreover, in the earlier suits,
17 Tessera asserted that the Khandros Patents disclose and claim w-BGA packages. Here, Tessera
18 contends that six of the U.S. patents it is asserting also disclose and claim w-BGA packages. UTC
19 argues that because the Khandros Patents predate the U.S. patents, the fact that they disclose and
20 claim the same package structures renders the U.S. patents invalid.

21 UTC requests that Tessera produce documents from prior litigation involving patents that are
22 not asserted in the present case. UTC is seeking statements made by Tessera about prior art and
23 patents not at issue here. Such statements are not relevant to validity. The scope of the prior art
24 references asserted in this case is determined by the references themselves, not by statements made
25 in prior litigation regarding infringement of these references. *See, e.g., Net MoneyIN, Inc. v.*
26 *VeriSign, Inc.*, 545 F.3d 1359, 1369 (Fed. Cir. 2008). Accordingly, UTC's argument that Tessera's
27 assertions in earlier suits are relevant to the validity of the U.S. patents it is asserting here, fails.
28

1 Lastly, UTC argues that the requested documents should be produced because they meet the
2 “technological nexus” standard articulated in *Apple Inc. v. Samsung Electronics Co.*, C12-00630
3 LHK (PSG), 2013 WL 3246094, at *20 (N.D. Cal. June 26, 2013). In *Apple Inc. v. Samsung*
4 *Electronics Co.*, the court considered a request for prior litigation documents. The court ruled that
5 “the appropriate standard for determining the relevance of documents from those other cases turned
6 on the similarity between the patents in the disputes. To satisfy the standard, the other case must
7 involve the patents-in-suit or patents covering the same or similar technologies, features, or designs
8 as the patents-in-suits. . . . [T]he starting point of the “technological nexus” inquiry is the patents at
9 issue, not the products at issue.” *Apple Inc. v. Samsung Electronics Co.*, 2013 WL 3246094, at *20
10 (internal quotation marks omitted). “[T]he technological nexus standard is not a substitute for the
11 relevance inquiry under Fed. R. Civ. P. 26(b) but rather is shorthand for the balancing inquiry in
12 which the court ordinarily must engage.” *Id.*

13 Here, UTC has failed to show that the prior litigation involves the patents-in-suit or patents
14 covering the same or similar technologies, features, or designs as the patents-in-suits. UTC
15 contends that the five foreign patents Tessera is asserting against UTC’s w-BGA packages are part
16 of the same family of patents that Tessera has asserted in all of its prior suits against w-BGA
17 packages. According to UTC, all of the Khandros Patents, both U.S. and foreign, trace back to the
18 07/586,758 application that Tessera filed on September 24, 1990. UTC conclusorily argues that the
19 Khandros Patents relate to the same basic invention and share the same core claim terms. UTC
20 fails, however, to discuss any specifics about the inventions at issue or the core claim terms in the
21 relevant Khandros Patents. Accordingly, UTC has failed to meet the “technological nexus”
22 standard.

23 Accordingly, UTC’s request for production of certain documents relating to claims by
24 Tessera in earlier suits against other parties in which Tessera has asserted that certain packages
25 infringe Tessera’s U.S. Khandros patents is denied.

26 **B. DISCOVERY DISPUTE JOINT REPORT #6**

27 DDJR #6 concerns whether Tessera must produce certain documents from earlier
28 proceedings against other parties in which Tessera asserted that certain packages infringed Tessera’s


1 U.S. Khandros Patents. The documents UTC seeks relate to certain prior art, referred to as the
2 OMPAC prior art, that parties in earlier proceedings asserted as prior art that invalidated the U.S.
3 Khandros Patents. Specifically, UTC seeks unredacted portions of Tessera's prehearing and post-
4 hearing briefs concerning the OMPAC prior art in *Semiconductor Chips with Minimized Chip*
5 *Package Size and Products Containing Same (II)*, ITC No. 605 (337-TA-605), and *Semiconductor*
6 *Chips with Minimized Chip Package Size and Products Containing Same (III)*, ITC No. 630 (337-
7 TA-630).

8 In these two ITC proceedings, the respondents contended that the OMPAC prior art
9 invalidated the Khandros Patents that Tessera was asserting. In seeking to distinguish the OMPAC
10 prior art from the Khandros Patents in the ITC proceedings, Tessera made statements seeking to
11 limit the scope and meaning of the claim term "movable" in the Khandros Patents. The same
12 "movable" term appears in the foreign Khandros Patents that Tessera is asserting here. UTC argues
13 that Tessera's statements about what the term "movable" means are therefore relevant to the
14 meaning of this same term in the foreign Khandros Patents. UTC also argues that the documents
15 meet the "technological nexus" standard articulated in *Apple Inc. v. Samsung Electronics Co.*, for
16 the same reasons laid out in DDJR #5.

17 The court denies UTC's request for production for the same reasons discussed above in
18 regards to DDJR #5. Specifically, in regards to the meaning of the term "movable," UTC does not
19 cite to, and the court is not aware of any, case law holding that a party's statements about patents in
20 a prior litigation can impact the construction of different patents that are asserted in a subsequent,
21 unrelated case. In regards to UTC's argument that the documents meet the "technological nexus"
22 standard, UTC has failed to show that the prior litigation involves the patents-in-suit or patents
23 covering the same or similar technologies, features, or designs as the patents-in-suits.

24 **IT IS SO ORDERED.**

25 Dated: February 4, 2015

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27 _____
28 HOWARD R. LLOYD
UNITED STATES MAGISTRATE JUDGE

C10-04435 EJD (HRL) Order will be electronically mailed to:

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